**IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF NEW YORK**

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CA, INC., COMPUTER ASSOCIATES   :
THINK, INC., PLATINUM
TECHNOLOGY INTERNATIONAL,   :
INC., and PLATINUM TECHNOLOGY IP,
INC.,   :

              Plaintiffs,   :   Civil Action No.: 07-CV-1476 (ADS) (MLO)

           v.   :

ROCKET SOFTWARE, INC.,   :

            Defendant.   :

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**PLAINTIFFS' DETAILED STATEMENT
REGARDING DAMAGES AND OTHER RELIEF SOUGHT**

David B. Tulchin
Jordan T. Razza
SULLIVAN & CROMWELL LLP
125 Broad Street
New York, New York 10004-2498
Tel: (212) 558-4000
Fax: (212) 558-3588

Scott G. Lindvall
KAYE SCHOLER LLP
425 Park Avenue
New York, New York 10022-3598
Tel: (212) 836-8000
Fax: (212) 836-8689

Counsel for Plaintiffs CA, Inc.,
Computer Associates Think, Inc.,
Platinum Technology International, Inc.,
and Platinum Technology IP, Inc.

February 4, 2009

Pursuant to Rule (V)(B)(b) of the Individual Motion Practices of the Honorable

Judge Arthur D. Spatt, Plaintiffs, CA, Inc., Computer Associates, Think Inc., Platinum

Technology International, Inc. and Platinum Technology IP, Inc. (hereafter "CA") submit this

statement of damages and other relief sought by CA in this action.

1.   CA seeks compensatory damages from defendant Rocket Software, Inc.

("Rocket") under claims of copyright infringement (under 17 U.S.C. §§ 101, *et seq.*, 504), trade

secret misappropriation (under the Illinois Trade Secrets Act, 765 I.L.C.S. §§ 1065/2(d),

1065/4(b), 1065/5 and/or New York common law governing trade secrets) and unjust

enrichment. CA also seeks an appropriate award of punitive damages for Rocket's intentional

and/or reckless misconduct. CA further seeks an order from the Court permanently enjoining

Rocket from continuing its illegal activities (under 17 U.S.C. § 502 and the Court's inherent

equitable powers).

2.   CA and Rocket each develop database administration software products known as

DB2 tools ("DB2 tools"). CA sells its DB2 tools to customers for use in managing large

databases of information. The DB2 tools that Rocket develops are also sold to customers for use

in managing large databases of information, but Rocket does not sell its products directly to

customers. Rather, Rocket licenses its products to IBM Corporation ("IBM"), which in turn

markets and sells Rocket's DB2 products to customers under IBM's label.

3.   CA's DB2 tools compete directly against Rocket/IBM's DB2 tools.

4.   To hasten its development of DB2 tools for IBM, and for other reasons, Rocket

knowingly and intentionally stole CA's copyrighted source code for use in Rocket's DB2 tools.

Rocket then used this purloined source code to develop its own DB2 tools, which were

subsequently marketed and sold to customers by IBM. In fact, the products containing the stolen

source code are sold by IBM to customers in direct competition with CA's own products. This

means that CA has been forced to compete against its own technologies and, further, that this wrongful competition has come from IBM (probably the strongest "brand name" in the industry). This has severely injured CA.

5.   Rocket's theft and misappropriation began in 1999 and software products containing the wrongfully acquired source code continue to be sold in the market to the present day. A number of DB2 tools developed by Rocket and sold by IBM to customers contain stolen and misappropriated source code belonging to CA.

6.   Rocket's theft and misappropriation of CA's copyrighted source code and trade secrets was perpetrated by, among other things, luring programmers and software developers formerly employed by CA and/or its subsidiaries Platinum Technology International, Inc. and Platinum Technology IP, Inc. to work for Rocket by granting these developers extraordinary uncapped royalty agreements for up to ten percent of revenues gained from sales of DB2 tools, including revenues gained from sales of DB2 tools which these developers claim to have had no part in developing. Three of these developers have received, in addition to their normal salary and other compensation, more than $2 million each in royalties attributed to products containing stolen source code. This arrangement between Rocket and these developers provided an incentive to use property wrongfully taken from CA. Rocket was fully aware of, and exploited, these circumstances.

7.   Rocket's misappropriation also allowed Rocket to develop its DB2 tools quickly and inexpensively, thereby meeting the demands of IBM and winning IBM long-term contracts with customers at the expense of its competitor CA. Indeed, the products containing the stolen code have been sold by IBM for more than eight years. IBM has used these products as part of its effort to "target CA" and to attempt to "kill, not wound" it. IBM has taken hundreds of customers from CA in this process, and has gained direct and indirect revenues from the Rocket-

developed software of more than $1 billion. This wrongful conduct, using CA's stolen property

to compete against CA, has caused severe injury to CA.

8.   The source code stolen by Rocket is protected by the following valid copyrights,

which are owned by CA: Copyright Registration Nos. TX 6-536-308, TX 6-540-750, TX 6-

540-751, TX 6-540-752, TX 6-540-753, TX 6-540-754, TX 6-540-755, TX 6-540-756, TX 6-

540-757, TX 6-540-758, TX 6-540-759, TX 6-540-760, TX 6-540-761, TX 6-540-962, TX 6-

540-963, TX 6-554-972, TX 6-554-973, TX 6-554-974, TX 6-554-975, TX 6-554-976, TX 6-

554-977, TX 6-554-978 and TX 6-554-979. These copyrights are protected under 17 U.S.C.

§§ 101 *et seq.*

9.   All versions of the source code for CA's DB2 products, including the overall

architecture and function of the source code and its individual modules and their function,

product documentation, and procedures for building source code and executables and installing

them at customer sites, and any and all copies, paper and electronically-stored, of the same are

CA's proprietary trade secrets within the meaning of, among other statutes, the Illinois Trade

Secrets Act, 765 I.L.C.S. § 1065/2(d).

10.   The Rocket products that infringe CA's copyrighted DB2 source code and

misappropriate its trade secrets include: Query Monitor, Log Analysis Tool, Object Restore,

Archive Log Accelerator, Automation Tool and Change Accumulation Tool. Rocket's wrongful

conduct has made it enormously profitable. Using the stolen source code, Rocket has licensed to

IBM, continuously over more than eight years, a line of DB2 tools. Rocket's revenues

attributable to its line of DB2 tools that include the products containing source code stolen from

CA amount to hundreds of millions of dollars during those eight years. This enormous revenue

for Rocket has made the company successful, and enabled it to make significant acquisitions of

other companies. The wrongfully obtained Rocket revenue has also made its principals wealthy.

All of this has severely injured CA.

11.   When confronted by CA, Rocket intentionally made false and misleading

statements in an attempt to thwart CA's efforts to uncover its fraudulent practices. Rocket

deceived CA by, more than once, assuring CA that it had made "investigations" of the

allegations that its products contained source code that had been wrongfully taken from CA, and

by telling CA that its investigations had revealed that there had been no wrongful conduct. The

investigations were shams, and Rocket's denials not only deceived CA, but were either

knowingly false or recklessly made. In fact, the investigations were structured in such a way to

avoid revealing what should have been the easily-discoverable facts. Rocket's two principals,

who have become wealthy as a result of the wrongful conduct, never knew -- because they never

sought to know -- what the investigations had revealed. They did know, however, that the

investigations were performed in a manner that was designed to obscure the truth. As a result,

and over a period of many years, Rocket has netted many millions of dollars distributing

products which infringe CA's copyrights and constitute misappropriation of CA's trade secrets in

violation of federal and state law. All of this has severely injured CA.

12.   Only very recently, after irrefutable evidence of outright theft surfaced during

discovery in this case, has Rocket acknowledged its theft.

13.   The damages that CA has suffered as a result of Rocket's actions may be

quantified as follows:

> A.   **Lost Profits**, i.e., the additional sales of DB2 tools and corresponding profit that CA would have made had Rocket not engaged in copyright infringement and misappropriation of CA's trade secrets. CA seeks damages of **$274.4 million** from Rocket based on lost profits;
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> B.   **Price Erosion**, i.e., profits that CA has lost as a result of Rocket/IBM's presence in the market for DB2 tools and CA's resulting need to sell its DB2 tools at a lower price to remain price-competitive in the DB2 market. CA seeks

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damages of **$198.8 million** from Rocket resulting from price erosion caused by Rocket/IBM's presence in the DB2 market; or

C.   **Unjust Enrichment**, i.e., the disgorgement of Rocket's ill-gotten gains in the form of the profits Rocket has earned from its development of DB2 tools for IBM. CA seeks disgorgement of **$182.5 million** from Rocket representing Rocket's gross margin on its sales of DB2 Tools to IBM.

14.   Further, CA seeks punitive damages as a result of Rocket's willful and deliberate act of stealing and misappropriating CA's valuable trade secret information. CA will ask the jury to award **$200 million** in punitive damages.

15.   CA also seeks prejudgment interest on (a) lost profits damages (**$28.9 million**), (b) price erosion damages (**$21.6 million**) and (c) on Rocket's revenues subject to disgorgement by unjust enrichment of Rocket's gross margins (**$19 million**).

16.   CA also seeks a permanent injunction requiring Rocket to cease its continued copyright infringement and trade secret misappropriation.

Dated: February 4, 2009   Respectfully submitted,
         New York, New York

                                                          /s/ Scott Lindvall
                                                          Scott G. Lindvall
                                                          KAYE SCHOLER LLP
                                                          425 Park Avenue
                                                          New York, NY 10022
                                                          Tel.: (212) 836-8000
                                                          Fax: (212) 836-8689

                                                          /s/ David B. Tulchin
                                                          David B. Tulchin
                                                          Jordan T. Razza
                                                          SULLIVAN & CROMWELL LLP
                                                          125 Broad Street
                                                          New York, New York 10004-2498
                                                          Tel.: (212) 558-4000
                                                          Fax: (212) 558-3588

                                                          Counsel for Plaintiffs CA, Inc., Computer Associates Think, Inc., Platinum Technology International, Inc., and Platinum Technology IP, Inc.

<u>CERTIFICATE OF SERVICE</u>

I, Jordan T. Razza, hereby certify that on February 4, 2009, copies of Plaintiffs'

Detailed Statement Regarding Damages and Other Relief Sought were served on the following

counsel by the means of service so indicated:

Edward Filardi	By E-Mail
P. Anthony Sammi	By E-Mail
SKADDEN, ARPS, SLATE, MEAGHER & FLOM	
Four Times Square	
New York, NY 10036	
Thomas Dougherty	By E-Mail
Christopher A. Lisy	By E-Mail
SKADDEN, ARPS, SLATE, MEAGHER & FLOM	
One Beacon Street	
Boston, MA 02108	

Dated: February 4, 2009   /s/ Jordan T. Razza
                                           Jordan T. Razza